

**BEFORE  
THE PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA  
DOCKET NO. 2017-256-C**

Application of Combined Public Communications, LLC    )  
For a Certificate of Public Convenience and Necessity    )  
to Provide Intrastate Resold Institutional                )  
Telecommunications Services and for Alternative        )  
Regulation Within the State of South Carolina            )

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**MEMORANDUM IN SUPPORT  
OF MOTION FOR PROTECTIVE TREATMENT**

On August 10, 2017, Combined Public Communications, LLC (“CPC”) filed its Application for CPCN to Provide Intrastate Resold Institutional Telecommunications Services and for Alternative Regulation Within the State of South Carolina (“Application”) along with a Motion for Protective Treatment of certain commercially-sensitive financial statements filed as trade-secret and attached as Exhibit C to the Application. The Office of Regulatory Staff objected to CPC’s Motion for Protective Treatment on August 23, 2017. CPC now submits this memorandum in support of its motion for confidential treatment.

The South Carolina Freedom of Information Act, §§30-4-10 *et seq.*, permits the Commission to protect from disclosure information that is “trade secret” information. In Order No. 2017-577 the Commission required a company seeking to maintain the confidentiality of certain information to explain both the “usefulness of such information for members of the public” and the competitive harm that its disclosure might cause to the company seeking protection. CPC submits that the information it seeks to protect – its balance sheet and income statement – is (1) of no use whatsoever to members of the general public and (2) that, as explained in the attached Affidavit of Brett Ruschman (Exhibit A), its disclosure could do real harm to CPC.

**1. Usefulness of information to members of the public.** The first issue identified by Order No. 2017-577 is whether the information for which protection is sought is useful to the general public. The information that CPC seeks to protect is its confidential financial information submitted in support of its application for a certificate of public convenience and necessity. CPC is a provider of telephone service to corrections facilities. It does not offer services to the general public and no member of the general public would ever be expected to research the finances of CPC before using its services.

In addition, CPC is not a rate-base regulated company that has the ability to pass on to its customers its operating costs and demand a return on investment. Instead, CPC operates in a competitive market in which its success depends on providing services that are satisfactory to its customers. In a competitive market where customers have choices there is no need for customers to have access to the detailed financial information of their telecom provider. It is telling that this Commission does not require regular, updated financial information to be filed by companies offering services like those that CPC proposes to offer. It is reasonable to infer that if such information was considered to be useful to members of the general public, the Commission would require that such information be filed and updated on a regular basis.

**2. Level of harm to CPC.** As explained in the Ruschman affidavit, the CPC financial information is carefully protected from disclosure by the Company and is not available to the public or CPC competitors. The affidavit also explains that CPC operates in a highly competitive market and must compete with other providers of inmate calling services. Those competitors have not been required to disclose their financial information and it would unfairly put CPC at a disadvantage if its information was made available to its competitors. Ruschman explains that the

public disclosure of the financial information could be harmful to CPC as it competes for contracts in other states.

### **CONCLUSION**

The financial information included in support of Applicant's Application, for which Confidential Treatment is sought, is both proprietary and competitively sensitive. There is no benefit to the general public from having access to the information. The substantial and direct harm that could be caused to Applicant as a result of disclosure is real and not speculative. Moreover, to date, no other jurisdiction or governmental agency has required Applicant to make this information available to the public. For all these reasons, the financial statements attached as *Exhibit C* to the Application should be protected from public disclosure.

WHEREFORE, Combined Public Communications, LLC respectfully requests that the South Carolina Public Service Commission grant this Motion for Protective Treatment with respect to the financial statements attached as *Exhibit C* to the Application of Combined Public Communications.

Dated this 27<sup>th</sup> day of October, 2017.

s/Frank R. Ellerbe, III  
Frank R. Ellerbe, III  
Sowell Gray Robinson Stepp & Laffitte, LLC  
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Columbia, SC 29211  
fellerbe@sowellgray.com

Attorneys for Combined Public Communications, LLC

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**AFFIDAVIT OF  
BRETT E. RUSCHMAN**

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PERSONALLY appeared before me, Brett E. Ruschman, who first being duly sworn, did state as follows:

1. My name is Brett E. Ruschman and I am the Vice President of Technology for Combined Public Communications, LLC ("CPC" or the "Company"). I have been employed by CPC since 2010. I previously held positions as Network Engineer, Information Technology Director, and Information Technology Special Projects Manager. As Vice President of Technology my responsibilities include overseeing various technical aspects of CPC's operations and I am familiar with all aspects of the Company's operations.

2. This affidavit is based upon my personal knowledge and review of documents received and maintained in the ordinary course of business by Combined Public Communications.

3. I am aware that CPC has asked the South Carolina Public Service Commission to treat as confidential certain financial information that CPC submitted in support of its application in this proceeding. The financial information for which we seek protection is contained in Exhibit C to our application and it consists of CPC's balance sheet and income statement. The information in these documents is treated as confidential by CPC and is not provided to third parties except under non-disclosure agreements.

4. It is also potentially harmful to CPC if the information in Exhibit C becomes publicly available. CPC is a leading regional provider of inmate calling services. The inmate calling business is characterized by intense competition for new contracts. While that competition is good for facilities and inmates by requiring companies to improve their products

and pricing, it also creates incentives for other companies to attempt to portray the competition in a negative light. We strongly believe that if the financial information contained in Exhibit C is not protected from disclosure it could be used unfairly by our competitors. When I say unfairly I am partly referring to the fact that our competitors have been allowed to maintain their financial information as confidential when they have gone through the certification process in South Carolina. If our competitors are able to access our financial information we are concerned that they will use in, not only in South Carolina, but in other states where we operate. That is a problem that our competitors do not have and that we should not have to face.

5. We have had discussions with the Office of Regulatory Staff ("ORS") regarding their concerns about our application. To address the ORS concerns we have agreed to post a Performance Bond consistent with the requirements of Commission Rule 103-607.

FURTHER AFFIANT SAYETH NOT.

Dated this 26 day of October, 2017.

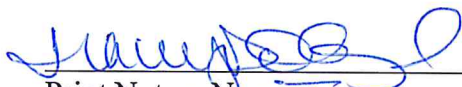
COMBINED PUBLIC COMMUNICATIONS, LLC

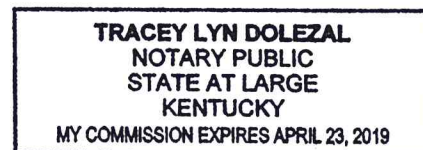


Brett E. Ruschman  
Vice President, Technology

SWORN TO BEFORE ME

This 26th day of October, 2017.

  
Print Notary Name: Tracey Dolezal  
Notary Public for Campbell County  
My Commission Expires: 4.23.2019



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**CERTIFICATE OF SERVICE**

This is to certify that I, Toni C. Hawkins, a paralegal with the law firm of Sowell Gray Robinson Stepp & Laffitte, LLC, have this day caused to be served upon the person(s) named below the Memorandum in Support of Motion for Protective Treatment on behalf of Combined Public Communications, LLC in the foregoing matter by placing copies of same in the U.S. Mail addressed as follows:

C. Lessie Hammonds, Counsel  
Office of Regulatory Staff  
1401 Main Street, Suite 900  
Columbia, SC 29201  
lhammon@regstaff.sc.gov

Dated at Columbia, South Carolina this 27<sup>th</sup> day of October, 2017.

